

NORTHEAST OREGON ALLIANCE

101 N.E. First Street, Suite 100, Enterprise, OR 97828 Phone: 541-426-3598 Fax: 541-426-9058

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May 21, 2003

Joe Garlitz
City of Elgin
108 N 8th Ave.
Elgin OR 97827

Dear Joe,

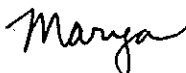
The Northeast Oregon Alliance met January 23rd and approved a grant of \$10,000 for the Future Business Leaders of America's community service project to pave the recycling area. Enclosed is one complete copy of the Grant Agreement for the Opportunity Grant, along with an additional signature page. Please sign both copies, keep the complete copy for your records and return only the extra signature page to our office.

I have also enclosed a form to be used when requesting a reimbursement. Once you have completed the activities approved in your grant, you will need to fill in the amount you are submitting for reimbursement in the "Current Expense" column. This amount should correspond to the copies of bills and receipts you submitted with the form. Mail the form to NEOEDD at the address shown at the top of the form. Staff will review the receipts and bills and prepare a check for the eligible expense at the \$.80:1 match/grant ratio. Reimbursement will then be mailed to you along with an updated form to use with your next request.

If you choose to pay for eligible expenses using a credit card, you will need to submit a copy of the credit card bill showing the purchase, and a copy of the cancelled check used to pay that bill, or a copy of the next bill showing a payment equal to or greater than the expense. We cannot issue a reimbursement based on a credit card receipt alone.

Please return the extra signature page as soon as possible. If you have any questions regarding the grant, or the reimbursement process please do not hesitate to contact me at 541-426-3598 or 1-800-645-9454. I look forward to working with you again.

Sincerely,



Marya Nowakowski
Program Manager

**NORTHEAST OREGON ALLIANCE
RURAL and REGIONAL INVESTMENT FUND PROGRAM
GRANT AWARD CONTRACT**

**City of Elgin
Elgin School FBLA paving project**

This Contract, dated January 23, 2003, is made and entered into by and between the Northeast Oregon Alliance acting by and through the Northeast Oregon Economic Development District, 101 N.E. First Street, Suite 100, Enterprise, Oregon 97828, (hereinafter "District") and the city of Elgin 108 N 8th Av Elgin Oregon 97827 (hereinafter "Recipient").

1. In accordance with ORS 285B.230 to 285B.263, the Northeast Oregon Alliance Board (hereinafter "Board"), appointed by and representing the counties of Umatilla, Union and Wallowa, has prepared a regional investment plan for developing the economy of and the communities in the counties of the Umatilla, Union and Wallowa Counties known as the Northeast Oregon Alliance Region (hereinafter "Region"). In accordance with ORS 285B.242(5) the Region submitted its regional investment plan to the Oregon Economic and Community Development Department (hereinafter "State").
2. On December 13, 2001, the State approved the Board's 2001-2003 regional investment plan (hereinafter "2001-2003 Regional Investment Plan"), and, in accordance with ORS 285B.263 and ORS 285B.257, made an award from the Regional Investment Fund created by ORS 285B.263 and made an award from the Rural Investment Fund created by ORS 285B.257 to implement the 2001-2003 Regional Investment Plan.
3. The Board has selected the District to act as its fiscal agent for the purposes of receiving and disbursing funds and administering the implementation of the 2001-2003 Regional Investment Plan.
4. The Recipient submitted an application for funding assistance for the Elgin Future Business Leaders of America Recycling Center Improvement Project to the Board in accordance with the application procedure outlined by the Board.
5. On January 23, 2003 the Board determined that the City of Elgin's FBLA project met the guidelines of the 2001-2003 Regional Investment Plan and selected the Project to receive a total of \$10,000 of grant through the Rural Investment Fund (subject to availability of Oregon State Lottery funds).
6. The District is willing to make the grant on the terms and conditions of this Contract. Accordingly, the parties agree as follows:

SECTION 1
TERM OF CONTRACT

This Contract shall begin on January 23, 2003 and shall expire on December 31, 2003

SECTION 2
GRANT AWARD

Section 2.01. Grant. Subject to the terms and conditions of this contract, the District shall provide Recipient a maximum of \$10,000 from the Rural Investment Fund for completion of the Project as described in this Contract.

Section 2.02. Availability of Funds. **This Grant award is subject to the availability of lottery money in the Regional Investment Fund.**

Section 2.03. Disbursement of Grant Monies. Funds allocated for the City of Elgin FBLA recycling center paving project may be requested with a Drawdown Form upon or after the dates indicated in the following schedule, provided that no default as set out in Section 7.03 hereof shall have occurred and be continued on the date of request:

<u>Date</u>	<u>Amount</u>
Contract signing	\$10,000

Section 2.04. Drawdowns. Recipient shall receive grant monies after it submits a request for such monies on a Drawdown Form. Attached to the Drawdown Form shall be documentation satisfactory to the District on the use of grant monies and on the use of matching funds, such as receipts, canceled checks, invoices, bid proposals, and contracts. The District shall review the documents and may require reasonable modifications or deny the Drawdown if the documentation does not support the request. If the District does not suggest modifications within thirty (30) days after receipt, the documents shall be deemed approved and payment shall be made. In the event the District requests additional information from Recipient, the District shall have thirty (30) days from the date of receipt of the information to review the information and may require reasonable modifications or deny the request. If the District does not deny the request or require modifications within 30 days of the receipt of the additional information, the documents shall be deemed approved, and payment will be made.

Section 2.05. Final Drawdown. This Project shall be complete by December 31, 2003. Recipient shall submit the final Drawdown Form within fifteen (15) days following the completion date of the Project. Drawdown Forms received after this date shall be ineligible for funding under this Contract.

SECTION 3
USE OF GRANT MONIES

Section 3.01. Eligible Activities. The Recipient's use of the grant monies is subject to the Conditions of Approval set out in Exhibit A and is also limited to those activities necessary to complete the Project as described in Exhibit B.

Section 3.02. Ineligible Activities.

(a) The Grant shall not be used to retire any debt;

(b) The Grant shall not be used to reimburse any person, entity, or municipality for expenditures made or expenses incurred prior to January 23, 2003.

Section 3.03. Unexpended Funds. Any Grant monies disbursed to the Recipient or any interest earned on those Grant monies, that are not used as set out in this Contract, or which remain after the Project is completed or this Contract is terminated shall be immediately returned to the District. Any interest earned by the Recipient on grant monies shall be spent on the Project or returned to the District, as directed by the District.

Section 3.04. Project Completion. If the Project is not completed by December 31, 2003, it shall be ineligible for funding under this Contract.

Section 3.05. Modification of Budget Allocation. The District and the Recipient may elect to modify budget allocation categories within the Project depending on Project needs. All modifications must be approved in writing by the District in advance of commitment or expenditure of funds.

SECTION 4 RECIPIENT'S REPRESENTATIONS AND WARRANTIES

Recipient represents and warrants to the District that:

Section 4.01. Existence and Power. Recipient is an Oregon municipality duly organized, validly existing, and in good standing under the laws of Oregon; and Recipient has full power and authority to transact the business in which it is engaged, and full power, authority and legal right to make this Contract and to incur and perform its obligations hereunder.

Section 4.02. Authority, No Contravention. The making and performance by Recipient of this Contract (a) have been duly authorized by all necessary action of the Recipient, (b) do not and will not violate any provision of any applicable law, rule, regulation or order of any court, regulatory commission, board or other administrative agency and (c) do not and will not result in the breach of, or constitute a default or require any consent under any other agreement or instrument to which Recipient is a party or by which Recipient or any of its properties may be bound or affected.

Section 4.03. Binding Obligation. This Contract has been duly executed and delivered by Recipient and will constitute the legal, valid and binding obligation of Recipient, enforceable in accordance with its terms.

Section 4.04. Approvals. No authorization, consent, license, approval of or notification to, any governmental body or regulatory or supervisory authority is required for the execution, delivery or performance by Recipient of this Contract.

Section 4.05. Matching Funds. Recipient shall invest a minimum of \$8,000 in non-Grant funds to complete the Project. Matching funds shall be used as set forth in the Project budget set out in Exhibit B. Matching funds shall be counted as matching funds only in they conform to the Matching Funds Definition set out in Exhibit E.

Section 4.06. Compliance With Land Use Regulations and Comprehensive Plan. The Project complies with applicable city or county comprehensive plans, public facility plans and land use regulations.

SECTION 5 CONDITIONS PRECEDENT

The obligation of the District to pay grant monies is subject each time to the conditions precedent that:

Section 5.01. Availability of Matching Funds. Recipient shall demonstrate to the satisfaction of the District that it has obtained and invested all non-Regional Investment Fund monies as set out and described in Exhibit A, Exhibit B, Exhibit C and Exhibit D.

Section 5.02. Availability of Oregon State Lottery Funds. In the event the District is notified that Oregon State Lottery funds are not available, all terms and conditions of this contract will be null and void or the District may modify this contract to accommodate a reduction in funds at their discretion.

Section 5.03. No Default. No default as set out in Section 7.03 hereof shall have occurred and be continued on the date the funds are to be disbursed to Recipient.

SECTION 6 COVENANTS OF RECIPIENT

While the Contract remains in effect, Recipient agrees that, unless the District shall otherwise consent in writing:

Section 6.01. Reports. Recipient shall provide reports to the District at such times as requested for a period up to two years after the contract expiration date.

When reporting information on the amount of matching funds committed or spent on the Project, Recipient shall use the definitions and method established by the State, attached hereto as Exhibit D.

Section 6.0 Compliance with Laws. Recipient will comply with the requirements of all applicable laws, rules, regulations and orders of any governmental authority, except where contested in good faith and by proper proceedings.

Section 6.03. Books, Inspection. Recipient will keep proper books of record and account on all activities associated with the Project. Recipient will permit the District and the Secretary of State of the State of Oregon to inspect its properties, all work done, labor performed and materials furnished in and about the Project, and to review and make excerpts and transcripts of its books of account and records with respect to the receipt and disbursement of grant monies received from the District.

Section 6.04. Project Completion. Recipient agrees that the Project shall be fully completed in accordance with Exhibit A and Exhibit B. In the event that the total amount of the Grant set out in Section 2.01 hereof is not available, Recipient will not be required to complete the Project. However, if the non-Grant monies which are necessary to complete the Project are not available or sufficient, the Recipient will nevertheless be required to complete the Project.

Section 6.05. Temporary Signs. For projects which involve construction, Recipient shall ensure that there is a sign displayed near any relevant construction site and readily visible to the public, specifying that the construction is being funded by the Oregon State Lottery for the purpose of promoting economic and community development through the Northeast Oregon Alliance Region. The sign shall remain in place until construction is complete.

Section 6.06. Permanent Signs and Notifications. Recipient shall include the following statement on all plans, reports or bid advertisements relating to the Project:

"(The preparation of this document was) or (This Project is) funded in part with a grant from the Oregon State Lottery through the Northeast Oregon Alliance Regional Board for the purpose of promoting economic and community development."

The statement shall be prominently placed on the document, i.e., on the title page of reports or documents, on the cover of blueprint sets, as part of map legends.

Recipient shall display a sign, if provided by the State, specifying that the Project was funded by the Oregon State Lottery for the purpose of promoting economic and community development.

Section 6.08. Access for Disabled Persons. If Recipient operates a commercial facility or public accommodations, as those terms are defined in the Americans with Disabilities Act of 1990, PL. 101-336, Recipient shall comply with the Americans with Disabilities Act and ORS 447.210 to 447.280.

Section 6.09. Special Conditions. Recipient shall comply with the requirements of the Conditions of Approval as set out in Exhibit A.

SECTION 7 TERMINATION AND DEFAULT

Section 7.01. Mutual Termination. This Contract may be terminated by mutual consent.

Section 7.02. Termination by the District. The District may terminate this Contract effective upon delivery of written notice to Recipient, or at such later date as may be established by the District, if insufficient monies are available in the Regional Investment Fund or if there has been a change in federal or State laws, rules, regulations or guidelines so that the Project funded by this Contract is no longer eligible for funding. This Contract may be modified by the District to accommodate a reduction in funds.

Section 7.03. Default. The District, by written notice to the Recipient, may terminate the whole or any part of this Contract for, among other things, any of the following events:

(a) Recipient defaults in the performance or observance of any of its covenants or agreements contained herein or in Exhibit A or Exhibit B; or

(b) Any representation made by the Recipient in the Project's description (Exhibit C), schedule, budget, or any other documents and reports relied upon by the District to measure progress on the Project and performance by the Recipient, are untrue in any material respect; or

(c) Recipient (i) applies for or consents to the appointment of, or the taking of possession by, a receiver, custodian, trustee, or liquidator of itself or of all of its property, (ii) admits in writing its inability, or is generally unable, to pay its debts as they become due, (iii) makes a general assignment for the benefit of its creditors, (iv) is adjudicated as bankrupt or insolvent, (v) commences a voluntary case under the Federal Bankruptcy Code (as now or hereafter in effect), (vi) files a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts, or (vii) fails to controvert in a timely and appropriate manner, or acquiesces in writing to, any petition filed against it in an involuntary case under the Bankruptcy Code, or (vii) takes any corporate action for the purpose of effecting any of the foregoing; or

(d) A proceeding or case is commenced, without the application or consent of Recipient, in any court of competent jurisdiction, seeking (i) the liquidation, dissolution or winding-up, or the composition or readjustment of debts, of Recipient, (ii) the appointment of a trustee, receiver, custodian, liquidator, or the like of Recipient or of all or any substantial part of its assets, or (iii) similar relief in respect to Recipient

under any law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts, and such proceeding or case continues undismissed, or an order, judgment, or decree approving or ordering any of the foregoing is entered and continues unstayed and in effect for a period of sixty (60) consecutive days, or an order for relief against Recipient is entered in an involuntary case under the Federal Bankruptcy Code (as now or hereafter in effect).

Notice of default shall specify with reasonable particularity the deficiencies in Recipient's performance and shall provide Recipient fifteen (15) days, or such longer period as the District may authorize in its sole discretion, to correct such deficiencies.

Section 7.04. Remedies Upon Default. In the event Recipient is found in default, the District may pursue any remedies available at law or in equity. Such remedies may include, but are not limited to, termination of this Contract, prohibition against further disbursement of grant monies, return of all or a portion of the grant amount, payment of interest earned on the grant amount, payment of interest at nine percent (9%) per annum from the date of disbursement to the date of repayment, and declaration of ineligibility for the receipt of future Regional Investment Program awards.

SECTION 8 MISCELLANEOUS

Section 8.01. No Implied Waiver, Cumulative Remedies. No failure on the part of the District to exercise, and no delay in exercising any right, power, or privilege under this Contract shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power, or privilege under this Contract preclude any other or further exercise thereof or the exercise of any other such right, power, or privilege. The remedies provided herein are cumulative and not exclusive of any remedies provided by law.

Section 8.02. Governing Law. This Contract shall be governed by and construed in accordance with the law of Oregon. Any claim, action, suit, or proceeding (collectively, "Claim") between the District and Recipient that arises from or relates to this Contract shall be brought and conducted solely and exclusively within the Circuit Court of Wallowa County for the State of Oregon; provided, however, if the Claim must be brought in a federal forum, then it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. RECIPIENT, BY EXECUTION OF THIS CONTRACT, HEREBY CONSENTS TO THE IN PERSONAM JURISDICTION OF SAID COURTS.

Section 8.03. Notices. Any communications between the parties hereto or notice to be given hereunder shall be given in writing by personal delivery, facsimile, or mailing the same, postage prepaid to Recipient or the District at the address or number set forth on page 1 of this Contract, or to such other addresses or numbers as either party may hereafter indicate pursuant to this section. Any communication or notice so addressed and mailed shall be deemed to be given five (5) days after mailing. Any communication or notice delivered by facsimile shall be deemed to be given when receipt of the transmission is generated by the transmitting machine. Any communication or notice by personal delivery shall be deemed to be given when actually delivered.

Section 8.04. Amendments. This Contract, including timeframes for the completion of the Project, may not be waived, altered, modified, supplemented, or amended in any manner except by written instrument signed by the parties. Such written modification will be made a part of this Contract and subject to all other provisions of this Contract.

Section 8.05. Severability. If any provision of this Contract shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 8.06. Successors and Assigns. This Contract shall be binding upon and inure to the benefit of the District, Recipient, and their respective successors and assigns except that Recipient may not assign or transfer its rights or obligations hereunder or any interest herein without the prior consent in writing of the District.

Section 8.07. Costs and Attorney's Fees. The prevailing party in any dispute arising from this Contract shall be entitled to recover from the other party its reasonable costs (including but not limited to costs for expert witnesses and costs of depositions) and attorney fees at trial and on appeal.

Section 8.08. Indemnity. Recipient shall save and hold harmless the District and its officers, employees, and agents from all claims, suits, actions, losses, damages, liabilities, costs and expenses of any nature whatsoever resulting from or arising out of, or relating to the activities of Recipient or its officers, contractors, subcontractors, agents or employees in connection with this Contract or the Project.

Section 8.09. Entire Agreement. This Contract constitutes the entire agreement between the parties. There are no understandings, agreements or representations, oral or written, not specified herein regarding this Contract. Any waiver or consent, if made, shall be effective only in the specific instance and for the specific purpose given.

Section 8.10 Exhibits. Exhibits attached hereto are incorporated herein by this reference. In the case of any internal discrepancy between the contract and the exhibits, this contract shall take precedence.

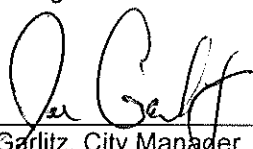
IN WITNESS WHEREOF, the parties hereto have caused this Contract to be duly executed as of the dates set forth below their respective signatures.

Northeast Oregon Economic
Development District

By: 
Lisa Lang, Executive Director

Date: 5/22/03

City of Elgin

By: 
Joe Garlitz, City Manager

Date: 5/27/2003

EXHIBIT A	-	Conditions of Approval
EXHIBIT B	-	Description of Project
EXHIBIT C	-	Grant Application
EXHIBIT D	-	Methodology for Counting Matching Funds

**GRANT AWARD CONTRACT
EXHIBIT A**

Conditions of Approval

1. The Recipient must document expenditure of match of \$.80 for every dollar of grant funds requested.
2. The Contract must be signed by June 30, 2003 or it will become null and void.
3. Matching funds must qualify as matching funds as set out in Exhibit D.
4. Only costs incurred after January 23, 2003 will be eligible for reimbursement. Grant funding will be available only after recipient can document that a pro-rata amount of total costs has been expended as match.
5. Project must be complete by December 31, 2003.

**GRANT AWARD CONTRACT
EXHIBIT B**

Description of Project

MEASURABLE DATA:

It is estimated that the City of Elgin Future Business Leaders of America's effort will result in paving the area around the recycling center in Elgin.

SCOPE-OF-WORK:

Recipient will ensure that the funds provided by the Northeast Oregon Alliance are used for paving expenses.

Recipient will ensure that financial and narrative reports are submitted to the Region in a timely manner when requested.

BUDGET:

Cash Expenses:

Preparation and Paving	<u>\$18,000</u>
Total Cash Expenses	\$18,000

Cash Income:

Rural Investment Funds	\$10,000
Recipient Funds	<u>\$ 8,000</u>
Total Cash Income	\$18,000

Rural Investment Funds shall be used to fund a portion of the costs of the consultant services and Recipient Funds shall be used for all remaining costs for the consultant services.

WORKPLAN:

December 31, 2003 Ground work, paving and plantings of recycling area completed.

PROJECT MANAGER:

Joe Garlitz
Elgin City manager
108 N 8th Ave
Elgin Oregon 97827
541-437-2253

**GRANT AWARD CONTRACT
EXHIBIT C**

Grant Application

The grant application, including all submitted exhibits, constitutes Exhibit C. The following documents have not been copied for the Recipient:

Letter of Commitment dated 11/13/02 from the City of Elgin
Letter from Union County Board of Commissioners dated 11/14/02
2/28/02 Minutes of the Elgin School District No. 23.
Copy of the School District Auditor Letters for year ended 6/30/02
Copy of the School District Auditor Letters for year ended 6/30/01
2002-2003 Elgin School District No. 23 Adopted Budget

**GRANT AWARD CONTRACT
EXHIBIT D**

"Matching Funds" Definition

"MATCHING FUNDS": Total Project Cost - Regional Investment Fund Grant = Matching Funds.

"PROJECT": Includes only those activities listed in your contract with NEOEDD, despite the source of funds.

For the purpose of the following examples, the activities listed in your contract with NEOEDD are:

1. Ground preparation and paving

*The **project** is not complete until all activities listed in the project are complete.*

Example 1: The contract specifies that Regional Investment Funds will pay for a portion of the contracted consultant services costs and **Matching Funds** will pay for the remainder of the contracted consultant services costs. Because these activities are listed in your contract, the **Project** includes the activities and will not be considered complete until the activities are complete.

*You should not include any other activities which may be related to the **Project** but are not included in your contract.*

Example 2: In order to successfully complete the Paving Project you may need to purchase shovels. Although this activity is related to the **Project** and may be necessary, the activity is not listed in your contract and therefore, cannot be included as part of the **Project**.

You should not include any activities in your drawdowns which took place prior to October 31, 2002

NOTE: Any expenses which were incurred before the grant was approved cannot be reimbursed through Regional Investment Funds.

Example 3: Some of paving activities may already have been completed when the project was approved on January 23, 2003. Expenses associated with the project incurred after October 31, 2002 could be considered part of the **Project** and could be included as **Matching Funds**. However, only those project expenses which were incurred on or after January 23, 2003 would be eligible for **reimbursement** from Regional or Rural Investment Funds.